(c) to (e) IRDA is in the process of notifying the separate regulations defining "micro-insurance products", micro-insurance agents" and to address the issue of waiver of certain pre-requisites for license to micro-insurance agents. These regulations are in the draft stage. Once these regulations are notified, the insurance coverage under micro-insurance would commence.

Use of Forex Reserve for Creation of Infrastructure

3485. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government propose to utilise a portion of forex reserve for creation of infrastructure;

(b) if so, the details thereof;

(c) whether it is also a fact that IMF Chief is not in favour of such a proposal:

(d) if so, the reasons therefor; and

(e) the final decision taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No such decision has yet been taken.

(b) Does not arise.

(c) and (d) the IMF supported Government of India's emphasis on infrastructure but has expressed concern over the use of foreign exchange reserve for this purpose as it may have undesirable macro-economic repercussions.

(e) As at (a) above.

Implementation of VAT

3486. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that VAT has been implemented *w.e.f.* 1st April, 2005 but the concerned State Governments have not issued notification to that effect before the crucial date;

(b) if so, the details thereof and the reasons therefor; and

(c) whether VAT will be implemented by different State retrospectively?